

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

SEPTEMBER 30, 2001

(In Thousands)

Net change in fund balance - total governmental funds \$ (167,449)

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.
(Note 10)

Land and other non-depreciable assets	77,988	
Buildings, equipment, and other depreciable assets	232,900	
Infrastructure	49,699	
Construction in progress	418,383	
Accumulated depreciation	<u>(161,908)</u>	617,062

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 496,006

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. 50,243

Bond proceeds provide current financial resources to governmental funds by issuing debt which increases long-term bonded debt in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term bonded debt in the Statement of Net Assets. This is the amount proceeds exceed repayments. (Note 14)

Bond proceeds and premiums received	(1,898,698)	
Repayment of bond principal	219,552	
Payment to refunded bond escrow agent	698,723	
Extinguishment of commercial paper	40,680	
Accrued interest	4,300	
Deferred issue costs	8,843	
Loss on refunding	<u>(20,709)</u>	(947,307)

Certain expenditures are reported in the funds. However, they either increase or decrease long-term liabilities reported on the Statement of Net Assets and have been eliminated from the Statement of Activities.
(Note 14)

Excess contributions to pension funds	9,935	
Capital lease payments	28,466	
Compensated absences payments	30,570	
Litigation payments	22,668	
Workers' compensation	<u>(4,824)</u>	86,815

Change in net assets of governmental activities \$ 135,369

The accompanying notes are an integral part of the financial statements.